

DSHA RETIREE MEDICAL TRUST
BOARD OF TRUSTEES MEETING
MAY 20, 2014

The meeting was called to order at 9:03 on May 20, 2014 by Doug Croft. Attending the meeting were Annette Miller (Chair Person), Cheryl Lehman (Vice Chair Person), Trustees: Doug Croft, Joan Smith, Wanda Spiering and Cynthia Fletcher (Office Manager). A Quorum was present and the meeting was properly noticed.

Doug asked if we should have anyone else involved with this meeting from other areas. This may be something that we may look into in the future.

Joan questioned the need to look at the effect on financials of new GASB rule that goes into effect in FY2014, and coordinate with the state.

Doug recommended that we list in the minutes the offices held for the members and if we have a quorum. All approved, Motion Carried.

Annette stated that the final May 2013 minutes will be posted within 5 days on the State's website.

A motion was made by Annette to approve the minutes of the May 23, 2013 meeting as presented, all approved. Motion Carried.

Annette's term is not up until next year and Cheryl's term is up this year. Joan made a motion to nominate Cheryl as Vice Chair Person. Cheryl accepted the nomination. It was seconded and all approved and the Motion was carried.

AON Study was discussed. Doug states we need to look at when Tom is using anything besides our history for employee turnover, vesting, etc., rather than regional data. Study is fine as is. We can improve upon over 10 years. The two things we need to look at with the study are (1) is the cost is in line with experience and (2) what do we think our potential earnings will really be. The Timetable should be sooner rather than later for 2014 study. Start in September to have study done in February.

A motion was made to accept the AON study and seconded. All in favor and the motion was carried.

Report on activity DSHA made a \$274,000 contribution on May 1, 2014 .The payable contribution has been about \$4,000 per month, although thru 2008 and 2009 it has dropped because the rates went down since we went to a Medicare Supplement plan. We hit the \$4,000,000.00 investment mark this year which is quite an accomplishment.

Walnut Street Apartments Permanent Financing will beat \$1.2 million at 5% for 30. This is still in the Construction phase.

Report on activity/funding status to employees: Cheryl puts a report out on HR Tech website. It is a condensed form of the full financials. It refers to the full financials on the website.

Other business: Non state retirees have been allowed to participate in State Health Plans. However, in order to ensure their continued participation may propose a change to Delaware code to clarify this issue.

Doug made a motion to adjourn the meeting, Joan seconded it. All were in favor. Meeting was adjourned at 10:03 a.m.

cpf